

 <p style="text-align: center;">STATE OF ALASKA DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES</p> <p style="text-align: center;">Policy and Procedure</p>	POLICY AND PROCEDURE NUMBER 11.01.031	PAGE 1 of 3
	EFFECTIVE DATE February 7, 2011	
SUBJECT New Equipment Warranty Recovery		SUPERSEDES 11.01.031
		DATED December 15, 1993
CHAPTER State Equipment Fleet	SECTION General Administration	APPROVED BY Signature on File

PURPOSE

This formalizes the policy and procedure (P&P) of the department on providing a uniform way to process warranty repairs on State Equipment Fleet (SEF) vehicles and equipment.

POLICY

New vehicles and equipment are covered by a standard manufacturer's warranty. In addition, the state may specify additional warranty requirements that extend or add to the standard manufacturer's warranty coverage. Warranty requirements are set forth in the SEF bids and contracts.

The contractor providing the vehicle or equipment is contractually responsible for the warranty, regardless of manufacturer. Contractual responsibility cannot be passed on; the contractor must take any necessary measures with the manufacturer and arrange any warranty work and/or reimbursement.

PROCEDURE

1. Using agencies are required to notify the nearest SEF shop of any problem arising with their equipment. SEF will notify and arrange all warranty related work with the responsible contractor.
2. Contractor notification
 - a. In all cases, the contractor is notified regarding the need for a warranty repair. In accordance with the contract there is a designated turnaround time in which to notify the fleet that warranty work will begin. When practical, the vehicle or equipment will be taken to the contractor's place of business for repair. When this is not practical, the contractor may send a representative to the shop location to begin the work.

- b. An SEF work order will be opened to track the time the vehicle or equipment is out of commission for repair, or for the repair to be completed. The open date will correspond with the date the contractor is called and the closed date will show the date the equipment went back into service or the repair was completed. If the contractor did the repair, the contractor is required to provide a copy of their repair work order. The contractor work order will be attached to the SEF work order for the vehicle file.
- c. The SEF work order is also used to track recurring problems with equipment, require contractors to make global changes on equipment to cover recurring failures and tracks contractor performance and reimbursement on contracts. When contracts are monitored using equipment down time, the work order and warranty system are used to track availability.

3. Warranty work performed by SEF

- a. If the contractor fails to respond, at the contractor's discretion, or in the case of an emergency, SEF may perform the work and bill the contractor for reimbursement per the terms of the contract.
- b. If SEF is going to do the work, all attempts must be made to obtain a purchase order (PO) number from the contractor. The contractor PO number is to be noted on the work order when the work is completed. Failure to obtain a PO can void the contractor's responsibility to reimburse for the warranty work performed.
- c. Most contractors are required to send the damaged parts to the manufacturer for review. Warranty parts must be returned to the contractor as soon as possible, with a copy of the work order and contractor PO included for reference. Annotate what parts were returned on the work order and take pictures for the SEF vehicle file, if possible.

4. Warranty billing and recovery

- a. The work order must be completed and submitted to the warranty administrator within five days after work completion, including adding all parts. Contractors have 30 days, from the date of the work, to file for warranty reimbursement from the manufacturer. The Headquarters' warranty administrator needs a minimum of five working days to issue a request for reimbursement to the contractor. Failure to file the request for reimbursement in the required time frame can void the reimbursement.
- b. Work that SEF performs that could have been done by the warranty contractor, or funds recovered for us performing the work, becomes part of

the rate base of the vehicle. Funds recovered from warranty reduce the rates for the customer.

5. Warranty information and conflict resolution

- a. Warranty information can be found in the Equipment Management System and on the SEF Web site at <http://fleet.alaska.gov>. Also, when a work order is opened, a flag is set to alert that the unit is under warranty. Some new equipment will have door tags stating the warranty time limits.
- b. If problems are encountered obtaining warranty or contractor responsiveness, the SEF foreman, lead, or District Manager must be notified. Contractual issues, such as contractor failure to perform, must immediately be brought to the attention of the SEF Contracting Officer or the Fleet Manager.

6. Billing for warranty

The work order is the primary document for invoicing the contractor. Opening the work order creates a warranty claim, regardless of who does the work. The warranty coordinator routinely reviews the claim file and bills the contractors prior to the 30 day deadline. Warranty cannot be billed without the proper backup, including the PO number from the contractor.

AUTHORITY

AS 44.17.030

IMPLEMENTATION RESPONSIBILITY

SEF headquarters, SEF district and office managers, and SEF user agencies

DISTRIBUTION

All department employees via the DOT&PF website.